ESTTA Tracking number:

ESTTA494920 09/17/2012

Filing date:

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054201	
Party	Defendant Sleep Innovations, Inc.	
Correspondence Address	ROBERT W SMITH MCCARTER ENGLISH LLP FOUR GATEWAY CENTER, 100 MULBERRY STREET NEWARK, NJ 07102 UNITED STATES rsmith@mccarter.com, ihurtado@mccarter.com, dpopovic@mccarter.com	
Submission	Other Motions/Papers	
Filer's Name	Robert W. Smith	
Filer's e-mail	rsmith@mccarter.com, ihurtado@mccarter.com, dpopovic@mccarter.com	
Signature	/robert w. smith/	
Date	09/17/2012	
Attachments	Confidential Redacted Brief.pdf (27 pages)(1304819 bytes)	

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Registration No. 3,916,902 For the Mark: BODIPEDIC (& Design) Registration Date: February 8, 2011

DAN FOAM APS	Cancellation No. 92054201	
Petitioner,)	
v.)	
SLEEP INNOVATIONS, INC.,)	·
Registrant.)	

CONFIDENTIAL DOCUMENT — FILED UNDER SEAL

REDACTED

REGISTRANT'S BRIEF IN OPPOSITION TO
PETITIONER'S MOTION FOR SUMMARY JUDGMENT AND IN SUPPORT OF
REGISTRANT'S CROSS-MOTION FOR SUMMARY JUDGMENT

Robert W. Smith Irene M. Hurtado McCARTER & ENGLISH, LLP Four Gateway Center 100 Mulberry Street Newark, NJ 07102-4096 (973) 622-4444

Attorneys for Registrant Sleep Innovations, Inc.

PRELIMINARY STATEMENT

Registrant Sleep Innovations, Inc. ("Registrant") submits this brief in opposition to Petitioner Dan Foam ApS' ("Petitioner") motion for summary judgment seeking cancellation of Registrant's BODIPEDIC and Design mark (the "Motion"), and in support of Registrant's Cross-Motion for Summary Judgment (the "Cross-Motion").

There are no genuine issues of material fact. When the law is applied to the undisputed facts, entry of summary judgment in favor of Registrant, not Petitioner, is warranted.

The one issue regarding which Petitioner attempts to create a credible issue of fact — alleged actual consumer confusion — is a façade. As discussed below, Petitioner should be barred from relying upon its purported evidence of actual confusion as a sanction for Petitioner's failure to provide Registrant with notice of the subpoena, as required by Rule 45, which resulted in third party production of the documents on which Petitioner relies. Once these documents are excluded from this proceeding, the record is devoid of any evidence of a likelihood of confusion, much less actual confusion, between the parties' marks.

Even if the Board declines to sanction Petitioner for its failure to comply with the strictures of Rule 45 and considers the documents produced in response to the improper subpoena, those documents, as discussed below, do not establish confusion by consumers between the design marks at issue in this proceeding and are not probative of actual confusion.

Registrant owns an incontestable federal registration for the word mark BODIPEDIC in connection with goods in Class 20. PEDIC-formative marks abound on the Principal Register in Class 20, as do marks that include a reclining figure — Petitioner does not have an exclusive right to use either of these elements. Petitioner's rights in its mark are therefore weak, and its mark is only entitled to a narrow scope of protection. Registrant's Mark should likewise be

permitted to coexist.

This, together with the differences in the parties' marks, warrants entry of judgment in Registrant's favor. Indeed, the parties' marks have distinguishable commercial impressions based upon the inclusion of dominant terms that are wholly dissimilar and design elements that are not confusingly similar. Based upon the admissible evidence before this Board, summary judgment should be entered in favor of Registrant, and this proceeding should be dismissed with prejudice.

STATEMENT OF UNDISPUTED AND DISPUTED FACTS

A. Undisputed Facts

1. The Parties' Respective Marks and Goods

Registrant owns U.S. Registration No. 3,916,902 for the BODIPEDIC and Design mark ("Registrant's Mark") in connection with mattress toppers, pillows and mattress, in Class 20 ("Registrant's Goods"). Petition for Cancellation (the "Petition"), ¶ 5; Answer to Petition to Cancel ("Answer"), ¶ 5; see Declaration of Robert W. Smith ("Smith Decl."), Ex. A. The registration for Registrant's Mark issued on February 8, 2011, without objection from Petitioner. Smith Decl., ¶ 2, Ex. A. Similarly, Petitioner's TEMPUR-PEDIC and Design mark, which is the subject of U.S. Registration No. 3,900,919 ("Petitioner's Mark"), had not been cited as an obstacle by the Patent and Trademark Office. Id.

On July 1, 2011, Petitioner filed the Petition seeking cancellation of Registrant's Mark based upon Petitioner's claim that Petitioner has priority and that Registrant's Mark is confusingly similar to Petitioner's Mark. See Petition, ¶¶ 10-11. Petitioner's Mark registered on January 4, 2011. See Smith Decl., Ex. C.

Registrant also owns U.S. Registration No. 3,137,309 for the word mark BODIPEDIC, in

connection with mattress toppers, pillows, chair and chair cushions, in Class 20. Smith Decl., Ex. B. The BODIPEDIC word mark has been registered since August 29, 2006, based on use in commerce since at least as early as February 2003, and is now incontestable. <u>Id.</u>

Registrant manufactures and sells memory foam mattresses, pillows and pillow toppers in connection with the Registrant's Mark. See Smith Decl., Ex. K at 32:5-12. Products offered under Registrant's Mark are presently sold only on the Internet. Id. at 56:13-25; 67:2-19. For a brief period, Registrant offered a mattress in Costco club stores. Id. at 67:20-5. Registrant's Goods offered under the BODIPEDIC brand do not bear Registrant's Mark on packaging or labels affixed to the products. Id. at 35:5-37:7. As such, when Registrant's Goods are offered on the Internet, Registrant's Mark only appears on the webpage advertising Registrant's Goods. When Registrant offered its mattress under Registrant's Mark in Costco, Registrant's Mark only appeared on a point-of-sale display. Id. at 116:24 -117:24.

Petitioner manufactures and sells memory foam mattresses, pillows, and other products under its TEMPUR-PEDIC and Design Mark. Smith Decl., Ex. L at 19:3-16 and 62:23-25.

2. <u>The Overstock.com Subpoena</u>

During the course of discovery, Petitioner's counsel served several third party subpoenas without providing Registrant's counsel with notice of service of such subpoenas as required by Rule 45 of the Federal Rules of Civil Procedure. Smith Decl., ¶ 8; Ex. G. On February 2, 2012, Petitioner served a subpoena upon Overstock.com in this proceeding (the "Subpoena") without providing any notice to Registrant's counsel. Id., ¶ 12; Ex. F. On February 10, 2012, Overstock.com produced documents responsive to the Subpoena. Id., Ex. H.

Counsel for Registrant only learned of Petitioner's subpoena to Overstock.com when Petitioner sent a letter on February 14, providing for the first time the Subpoena and a disk

bearing the documents already produced by Overstock.com in response to the Subpoena. <u>Id.</u>, ¶ 12; Ex. I. Although discovery was still open at the time, Petitioner did not take the deposition of a representative of Overstock.com. <u>Id.</u>, Ex. F. Instead, Petitioner secretly obtained a declaration from a corporate representative of Overstock.com on February 23, 2012 in an apparent attempt to authenticate the documents produced by Overstock.com in response to the Subpoena (the "Declaration"). Pet. Brief, Ex. S. However, counsel for Petitioner never bothered to serve a copy of that declaration on counsel for Registrant. Smith Decl., ¶ 13. Indeed, Registrant did not even know the document existed until Petitioner had served the present Motion. <u>Id.</u>

The sole document produced in response to the subpoena appears to be a log of on-line live chat communications between Overstock.com representatives and consumers a customer service log (the "Log"). Pet. Brief, Ex. S. The Subpoena contains no temporal limitation, and the Declaration provides no detail as to the period during which the communications reflected in the Log occurred. See Smith Decl., Ex. F; Pet. Brief, Ex. S. In addition, the Declaration provides no explanation as to the method by which the communications reflected in the Log occurred. Pet. Brief, Ex. S. The Declaration merely states that the documents were gathered "from an established customer inquiry database." Id.

As such, the Declaration is no more than a conclusory, pro forma recitation that the Log is a "business record." Pet. Brief, Ex. S. The Declaration does not set forth any facts to support that the Log "was made at or near the time by — or from information transmitted by — someone with knowledge" or that "making the record was a regular practice" of a regularly conducted activity of Overstock.com. See Fed. R. Evid. 803(6); see Pet. Brief, Ex. S.

3. <u>Similarity of the Marks</u>

Contrary to Petitioner's assertions, the marks are not confusingly similar. Registrant's Mark includes the term BODIPEDIC, which is the subject of an incontestable federal registration. Smith Decl., Exs. A and B. Petitioner's Mark includes the term TEMPUR-PEDIC. Id., Ex. C. While both marks share the term PEDIC, numerous third parties own registrations for trademarks that include the term PEDIC and cover mattresses, pillows, mattress toppers, and related goods in Class 20. Id., Ex. D. The dominant portion of both parties' spoken marks — BODI and TEMPUR — are distinguishable in sound, appearance and meaning. See id., Exs. A and C.

The only other common element the marks share is the depiction of a reclining figure.

See id., Exs. A and C. There are numerous federally registered marks that include a reclining figure and cover goods in Class 20. See id., Ex. E.

The designs included in the parties' respective marks are not confusingly similar. See id., Exs. A, C, and L at 167:22-172:22. Petitioner's Mark includes a prominent cross or plus sign design element, followed by the word mark TEMPUR-PEDIC. Smith Decl., Ex. L at 168:23-169:2. The figure of a reclining female extends across the entirety of the word TEMPUR-PEDIC. Id. Ex. C and Ex. L at 168:7-10 and 168:18-22. On the spectrum of realism to abstraction, the female figure included in Petitioner's Mark is more realistic than it is abstract.

See id. at Ex. C. The design portion of Petitioner's Mark consists of seven lines or strokes. See id. The female figure in Petitioner's Mark is laying on her left side, depicted from head to foot and parallel to the word portion of Petitioner's Mark. Id. She is unclothed, with her head pointed to the left and directly over the letters TE in the TEMPUR-PEDIC word mark. Id., Ex. C and Ex. L at 168:15-17 and 169:17-20. She has long hair draped over the contour pillow on

which her head rests. <u>Id.</u>, Ex. C and Ex. L at 167:25-168:6. The female's spine and buttocks are unmistakably represented. <u>Id.</u>, Ex. C. In addition, the female's two legs are plainly illustrated, with the top right leg crossed in front of the bottom left leg, and the left, bottom foot plainly visible. Id., Ex. C and Ex. L at 168:11-14.

Registrant's Mark, in stark contrast, is highly abstract on the spectrum of realism to abstraction, consisting of only three lines or strokes. Smith Decl., Ex. A. The strokes that suggest a partial figure included in Registrant's Mark, unlike Petitioner's Mark, begin in the middle of the word portion of the mark, with the hip of the figure slicing into the letter I of "BODI", and extending upward to the right at an angle across the letters PED, with the figure's head resting over the letter D of "PED". Id., Ex. A and L at 171:15-23. In contrast with Petitioner's Mark, the figure is not parallel to the word portion of Registrant's Mark, and its head points to the right, not the left. See id., Ex. A and Ex. L at 170:22-171:1. Further, there is no pillow depicted in Registrant's Mark. Ex. A and Ex. L at 169:25-170:2.

The figure included in Registrant's Mark is abstract to the point that it is gender neutral, and there is no way to tell if the figure is clothed or not. See id., Ex. A. Apart from strokes that suggest the outline of a partial head, partial chin and torso, there are no other anatomical elements depicted. See id., Ex. A. In contrast to Petitioner's Mark, the figure in Registrant's Mark does not include hair, a spine, buttocks, full legs or any feet. Id., Ex. A and Ex. L at 170:20-21. Instead, the figure in Petitioner's Mark depicts a human torso from shoulder to the bottom of the hip, with the figure's head turned slightly to its left side and tilted downward, such that the line of the chin is revealed. See id., Ex. A.

4. <u>Likelihood of Confusion and Actual Confusion</u>

Despite its burden on this Motion, the record presented by Petitioner is devoid of any

evidence that confusion between the parties' marks is likely. Notably, Petitioner did not retain an expert or conduct any likelihood of confusion survey in this matter. Smith Decl., ¶ 17 and Ex. L at 45:24-46:6.

Petitioner submits the Log produced by Overstock.com in response to the Subpoena as purported evidence of actual consumer confusion between Petitioner's Mark and Registrant's Mark. Pet. Brief, Ex. S. It is unclear from the Declaration and from the Log itself the method of communication used for the consumer communications reflected in the Log. See id.

Not one entry within the Log refers to Petitioner's Mark asserted herein or Registrant's Mark that is challenged in this proceeding. See id. The source of consumer confusion is unclear from any of the communications reflecting alleged actual confusion. See id. The only references made by customers in the communications reflected in the Log are to the parties' respective word marks — BODIPEDIC and TEMPUR-PEDIC. See id. There are no references to designs of any kind. See id.

The entries in the Log are undated, making it impossible to tell when any of the communications occurred. See id. As noted above, neither the Declaration, nor any other evidence of record, provides any information about the timeframe during which the communications reflected in the Log took place. Smith Decl., Ex. F; Pet. Brief, Ex. S.

B. Disputed Immaterial Facts

Throughout Petitioner's brief, Petitioner makes several misstatements of fact. These disputed facts are not material and do not prevent the Board from entering summary judgment in favor of Registrant.

Petitioner makes much of the fact that for a period of time Registrant bid on the word TEMPUR-PEDIC as a keyword through Google's sponsored advertising program. Pet. Brief at

8-9. Petitioner erroneously asserts that this is "additional evidence that consumers recognize the TEMPUR-PEDIC & Reclining Figure Design brand." Pet. Brief at 9. This assertion is flawed because it is not possible to bid on a design element for Google's sponsored advertising program, and indeed there is no evidence that Registrant bid on a design element. Pet. Brief, Ex. F at 73: 16-74:6. As such, evidence concerning Registrant's efforts to bid on the **word** TEMPUR-PEDIC has no relevance to consumer recognition of Petitioner's Mark that is the subject of this proceeding or any other issue before the Board.

Petitioner also identifies a number of statements made by Registrant concerning the nature of Registrant's Goods that overlap with statements made by Petitioner and attempts to argue that these overlapping statements suggest a "similar" appearance of the parties' marks in connection with their goods. These statements include factual and descriptive language, indicating that Registrant's Goods are made in the USA, that the memory foam used to make Registrant's Goods is of an "open cell structure," that Registrant's Mattresses consist of layers, and that Registrant's Goods come with a 20-year warranty. Petitioner, however, does not have a monopoly on descriptive language communicating the inherent qualities of memory foam, language indicating the source of memory foam or where the products are made, or terms of a warranty.

Petitioner also cites to an instance in which one of Registrant's employees, Sharon Miller, forwarded Registrant's advertising agency a sample of packaging for a pillow manufactured by Petitioner in connection with the agency's efforts to develop packaging for a similar pillow for Registrant. Pet. Brief at 13-14. Petitioner, however, misinterprets portions of the testimony of Registrant's employee on this point and blatantly ignores other portions of that testimony. Ms. Miller testified that her statement "ours are very similar" in the email forwarding

a copy of Petitioner's packaging referred to the fact that Registrant's pillow was similar to Petitioner's pillow sold in the attached packaging. Smith Decl., Ex. J at 38:1-23; see also Pet. Brief, Ex. R. Petitioner makes the leap that "[i]t is perhaps not surprising that the commercial impressions created by the parties' marks are highly similar." Pet. Brief at 14.

This conclusion is flawed and baseless for several reasons. First, Ms. Miller testified in no uncertain terms that her efforts to refresh the "brand architecture" for products bearing Registrant's Mark in no way impacted the use or appearance of Registrant's Mark, but instead referred to other elements included on the packaging. Smith Decl., Ex. J at 58:25-60:17. Ms. Miller further testified that while the materials to be developed by the advertising agency were intended for use at product marketing shows, this product and the requested materials were never used. Id. at 39:17-20. Petitioner's disingenuous misreading of both Ms. Miller's email to the advertising agency, and her testimony, is nothing more than a misleading attempt to suggest that Registrant "copied" Petitioner's Mark. The document itself and Ms. Miller's testimony make clear that the communication to the advertising agency and their assignment had nothing to do with the use or appearance of Registrant's Mark or Petitioner's Mark.

Finally, Petitioner makes much of Registrant's "plans to sell mattresses through department stores" and at mall kiosks. See, e.g., Pet. Brief at 21. It is undisputed, however, that those plans were abandoned and that Registrant does not sell Registrant's Goods in department stores, malls or other retail locations. Smith Decl., Ex. K at 67:2-69:2.

ARGUMENT

I. Summary Judgment Standard

A party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact, and that it is entitled to judgment as a matter of law. Fed. R.

Civ. P. 56(c). This burden is greater than the evidentiary burden at trial. Trademark Trial and Appeal Board Manual of Procedure ("TBMP") at 500-129, Third Edition, Revision (June 2012); see also Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986) (summary judgment may be granted only when no "reasonable jury could return a verdict for the nonmoving party."). In determining whether there is a genuine issue of material fact, the "nonmoving party must be given the benefit of all reasonable doubt as to whether genuine issues of material fact exist; and the evidentiary record on summary judgment, and all inferences to be drawn from the undisputed facts, must be viewed in the light most favorable to the non-moving party." TBMP at § 528.01; see also Transmatic, Inc. v. Gulton Indus., Inc., 53 F.3d 1270, 1274 (Fed. Cir. 1995).

When the Board resolves all doubts in favor of Registrant on Petitioner's Motion,

Petitioner's Motion should be denied. Similarly, even when the Board resolves all doubts in
favor of Petitioner on Registrant's Cross-Motion for Summary Judgment, it is clear that there are
no genuine issues of material fact and there is no likelihood of confusion between the parties'
marks as a matter of law. Accordingly, the Board should deny Petitioner's Motion and grant
Registrant's Cross-Motion.

II. Petitioner Should Not Be Permitted To Rely Upon The Log As A Sanction For Petitioner's Violation Of Rule 45

Rule 45 of the Federal Rules of Civil Procedure is applicable to proceedings before the Board. See 37 CFR § 2.122(a). Pursuant to Rule 45, "[p]rior notice of any commanded production of documents and things . . . shall be served on each party in the manner prescribed by Rule 5(b)." Fed. R. Civ. P. 45(b)(1). Petitioner was required to provide Registrant with notice of the Subpoena prior to its service upon Overstock.com. See 9-45 Moore's Federal Practice – Civil § 45.21[3][a]. Such notice must be provided prior to "the date of service of a subpoena, not the return date of the subpoena." Id. Notice prior to service of a subpoena is

required under Rule 45 "to give the other parties an opportunity to object to the production or inspection, or to serve a demand for additional documents or things." <u>Id.</u> (internal quotations omitted); <u>see also Murphy v. Board of Ed. Rochester City School District</u>, 196 F.R.D. 220, 222-23 (W.D.N.Y. 2000). As noted by the Advisory Committee Notes to the 1991 Amendment of Rule 45, prior notice is particularly critical with respect to a subpoena that only seeks production of documents without a deposition, to permit the other parties to the litigation an opportunity to monitor the third party discovery. <u>See</u> Advisory Committee Note to 1991 Amendment, subdivision (b).

Failure to comply with the notice requirement of Rule 45 is sanctionable conduct. See 9-45 Moore's at § 45.21[3][a]; see also Murphy, 196 F.R.D. at 224-25 (noting authority to impose sanctions arising from court's inherent power and imposing monetary sanctions upon counsel). Indeed, "[i]f evidence is obtained by a subpoena without notice, the [Board] may exclude the evidence or make other appropriate orders to protect the parties that did not receive the required notice." 9-45 Moore's at § 45.21[3][a]. While exclusion of key evidence is an extreme sanction, it can be appropriate if there is a showing of "willful deception . . . by the proponent of the evidence." See id. The Board has the authority to enter appropriate sanctions, up to and including entry of judgment, where sanctionable conduct has occurred. See TBMP at § 529.01 and 529.02; see also Central Mfg. Inc. v. Third Millennium Tech. Inc., 61 U.S.P.Q.2d 1210, 1213 (T.T.A.B. 2001) (discussing Board's inherent power to impose sanctions upon a finding of improper and sanctionable conduct).

Petitioner's conduct amounts to willful deception, and exclusion of the Log is an appropriate and warranted sanction. On February 2, 2012, Petitioner served the Subpoena without prior notice to Registrant. Smith Decl., Ex. F. On February 7, Registrant, having been

advised by a third party that Petitioner had served the third party with a subpoena without prior notice to Registrant, reminded Petitioner of its obligation to provide notice under Rule 45 and demanded that prior notice be given should Petitioner serve any other subpoenas. <u>Id.</u>, Ex. G. Despite this, Petitioner waited until February 14, 2012 — almost two weeks after it served the Subpoena on February 2, a full week after Registrant's communication concerning notice under Rule 45, and four days after it had received documents responsive to the Subpoena — to serve Registrant with a copy of the Subpoena. <u>Id.</u>, Exs. F, G, H, and I. The timeline speaks for itself and unquestionably evidences willful deception on the part of Petitioner.

Here, Petitioner's willful conduct is directly related to the evidence that Petitioner seeks to rely upon in support of this Motion. Petitioner intentionally violated the plain requirements of Rule 45 by withholding notice of the Subpoena until after Overstock.com had produced documents responsive to the Subpoena. In addition, Petitioner ignored Registrant's demand for notice of all third party subpoenas and waited almost a full week after receipt of that demand to notify Registrant of the service and response to the Subpoena. Petitioner's conduct in this regard was plainly an attempt at willful deception, intended to prevent Registrant from communicating with Overstock.com prior to its response to the Subpoena and to further prevent Registrant's counsel from undertaking representation of Overstock.com in connection with the Subpoenas — as Registrant's counsel had done in connection with all of the other improperly served supboenas in this proceeding. See, e.g., Smith Decl., ¶ 8; Ex. G. In addition, Petitioner surreptitiously obtained the Declaration in February, while the discovery period was open, without serving a copy of the Declaration on Registrant. Had Registrant known of the existence of the Declaration, Registrant likely would have deposed Overstock.com.

III. There Is No Likelihood Of Confusion

Registrant, not Petitioner, is entitled to summary judgment on the issue of likelihood of

confusion. Indeed, there is no likelihood of confusion between Registrant's Mark and Petitioner's Mark because: (1) the overall commercial impressions of the marks are very different, (2) Petitioner's Mark is weak, as evidenced by third parties' wide use of the term PEDIC and a reclining figure design for similar goods, and therefore entitled to only a very limited scope of protection, (3) the record is devoid of evidence of a likelihood of confusion between the parties' marks, much less any probative evidence of actual confusion, and (4) buyers carefully consider purchases of the parties' products, which are relatively expensive. See In re E.I. DuPont DeNemours & Co., 476 F.2d 1357 (C.C.P.A. 1973) (setting forth factors that evidence likelihood of confusion); see also Bose Corp. v. QSC Audio Prods., 293 F.3d 1367, 1370 (Fed. Cir. 2002) (stating that a likelihood of confusion analysis may involve analysis of only certain DuPont factors, as determined by the evidence in the particular case).

A. Registrant's Mark Is Not Likely To Be Confused With Petitioner's Mark Because The Overall Commercial Impressions Of The Marks Are Different

Confusion between Registrant's Mark and Petitioner's Mark is not likely because when the marks are considered in their entireties, the overall commercial impressions of Registrant's Mark and Petitioner's Mark are vastly different. While trademarks "must be considered as a whole in determining likelihood of confusion," Franklin Mint Corp. v. Master Mfg. Co., 667 F.2d 1005, 1007 (C.C.P.A. 1981), "individual features of the two marks may be analyzed in order to determine whether they are confusingly similar." Dow Corning Corp. v. Applied Power Indus., Inc., 167 U.S.P.Q. 730 (N.D. Ill. 1970). Here, the first terms of Registrant's Mark and Petitioner's Mark are wholly distinct, which create overall marks that are different in appearance, sound, meaning, and commercial impression. See In re E.I. DuPont DeNemours & Co., 476 F.2d at 1361. Additionally, there are many distinctions between the designs in Registrant's Mark and Petitioner's Mark, which further create overall marks that are different in appearance and

commercial impression. Given these fundamental differences, confusion between these marks is highly unlikely.

1. Registrant's Mark And Petitioner's Mark Have Distinct Commercial Impressions Because The First Terms Of The Marks Are Visually And Aurally Distinct

Although marks are considered in their entireties, "when a mark consists of a word portion and a design portion, the word portion is more likely to be impressed upon a purchaser's memory and to be used in calling for the goods." In re TSI Brands, 67 U.S.P.Q.2d 1657 (T.T.A.B. 2002); see also Castle & Cook, Inc. v. Robzens', Inc., 189 U.S.P.Q. 555 (T.T.A.B. 1976) (where applicant's and opposer's marks each were composite marks consisting of a word portion and a bee design, finding word portions — terms QUEEN BEE and BUMBLE BEE were most significant portions of marks in analyzing likelihood of confusion). This is true for Registrant's Mark and Petitioner's Mark. As such, the dominant word portions of the parties' marks — the terms BODIPEDIC and TEMPUR-PEDIC — should be given the most weight in determining the marks' commercial impressions and assessing the similarity of the marks. See In re Chatam Int'l Inc., 380 F.3d 1340, 71 U.S.P.Q.2d 1944, 1946 (Fed. Cir. 2004) (stating that it is well settled that dominant part of a mark may be given more weight in determining commercial impression created by mark and assessing similarity of marks). The terms BODIPEDIC and TEMPUR-PEDIC are visually and aurally distinct and have distinct commercial impressions, which precludes a finding of likelihood of confusion. Further, Registrant owns an incontestable registration for the BODIPEDIC word mark, which has been used in commerce since February 2003. Thus, Registrant has already developed rights in that mark, which has coexisted with Petitioner's TEMPUR-PEDIC marks for almost ten years.

The fact that the marks share one term — PEDIC — is not dispositive, as similarity is based on the total effect of the marks, rather than a comparison of any individual features. See Astra Pharm. Prods. Inc. v. Beckman Instruments Inc., 220 U.S.P.Q. 609, 611 (D. Mass. 1983) aff'd 718 F.2d 1201 (1st Cir. 1983); see also In re Sweet Victory Inc., 228 U.S.P.Q. 959, 961 (T.T.A.B. 1986) (finding marks GLACE CONTINENTAL and GLACE LITE were not likely to be confused even though both marks were used in connection with sherbet, because "the overall differences in the marks are sufficient so that while source confusion may be possible, it is not likely.") Here, the Board should consider the effect of all terms and elements included in the mark, including terms other than the term PEDIC that is in Petitioner's Mark. See New England Fish Co. v. The Hervin Co., 179 U.S.P.Q. 743 (T.T.A.B. 1973) (stating that "each case requires consideration of the effect of the entire mark including any term in addition to that which closely resembles the opposing mark," and finding no likelihood of confusion between BLUE MOUNTAIN KITTY O'S mark and KITTY mark). Like the "GLACE" marks in In re Sweet Victory, and the "KITTY" marks in New England Fish Co., although Registrant's Mark and Petitioner's Mark share the term PEDIC, they are, as a whole, phonetically dissimilar and visually distinct.

Here, the first terms of the marks — BODI and TEMPUR — and thus the marks as a whole, are quite distinct in sound, appearance, and meaning. In fact, BODI and TEMPUR share none of the same letters and are different lengths. The term BODI suggests something relating to the human form, while, the term TEMPUR vaguely suggests something relating to temperature. As such, the parties' marks are not likely to be confused. See Sure-Fit Prods. Co. v. Saltzson Drapery Co., 117 U.S.P.Q. 295, 297 (C.C.P.A. 1958) (affirming Patent Office decision that marks RITE-FIT and SURE-FIT, both used in connection with slip covers, were not likely to be

confused, and stating that "[t]he fact of the matter is that 'Rite' and 'Sure' do not look alike or sound alike, factors which we feel . . . militate against" a finding of confusion).

Furthermore, the fact that the *first* terms of the marks are different is significant because the first portions of marks are likely to be most prominent in the eyes of the consumer. See Pikle-Rite Co., Inc. v. Chicago Pickle Co., 171 F. Supp. 671, 675 (N.D. Ill. 1959) (stating, "[c]ommon experience teaches that an individual will more readily remember the first part of a name than some other part," and finding that defendant's use of name POL-PAK on pickle bottles infringed plaintiff's trademark POLKA used to designate varieties of pickles); Coca-Cola Co. v. Carlisle Bottling Works, 43 F.2d 101, 114 (E.D. Ky. 1929) (noting the "general rule" that "where the front part of the two trademarks involved differ in appearance, sound, and meaning, there is no infringement even though there may be similarity amounting to identity in the last parts"). Because the first term in Registrant's Mark is BODI, which is not included in or similar to any portion of Petitioner's Mark, the impressions created in the minds of consumers are different, and confusion between Registrant's Mark and Petitioner's Mark is not likely, especially given the weakness of Petitioner's Mark, as discussed below.

2. The Differences In The Design Elements Of Registrant's Mark And Petitioner's Mark Create Distinct Overall Commercial Impressions

The many distinctions — which Petitioner ignores — between the designs in Registrant's Mark and Petitioner's Mark, as detailed above, result in marks that have different overall commercial impressions. As a result, there is no likelihood of confusion.

As discussed above, the reclining figure design in Petitioner's Mark depicts the full figure, from head to toe, of a naked woman, reclining on a contour pillow. Smith Decl., Ex. C. The woman has long hair, and her anatomical features (e.g., buttocks, vertical indentation at the spine) are depicted. See id. The woman is oriented with her head at the beginning of the Mark,

and her body is parallel to and stretches the length of the words TEMPUR-PEDIC. See id.

Petitioner's Mark also includes a prominent cross or plus sign design that precedes the word

TEMPUR-PEDIC. See id.

In contrast, the design in Registrant's Mark suggests only a partial human figure that is gender neutral. Smith Decl., Ex. A. The design is stylized and abstract, with no anatomical features depicted, in stark contrast to Petitioner's Mark. See id. The figure depicted in Registrant's Mark does not have hair, is not reclining on a pillow, and is oriented with its head at the end of the mark, with its body at a partial angle and stretching over only the letters "IPED".

See id. In contrast to Petitioner's Mark, Registrant's Mark contains no cross or plus sign figure.

See id. Petitioner indeed admitted to many of these distinctions between the parties' marks.

These distinctions, as well as the ambiguity of the Registrant's design (e.g., whether the abstract depiction is male or female, naked or clothed), make it unlikely that this design would cause confusion with Petitioner's Mark. See Cardinal Indus., Inc. v. Cardinal IG Co., 223

U.S.P.Q. 732, 735-36 (T.T.A.B. 1984) (finding no likelihood of confusion because the ambiguity of the bird design — "a modern version of the head of a bird almost to the point of abstractness" — in Cardinal Industries Inc.'s mark "makes it unlikely . . . that it would cause confusion with [Cardinal IG Co.'s] mark, which is clearly and solidly a bird's head and recognizable as that of a cardinal.")

¹ Petitioner admitted that while the design in Petitioner's Mark depicts the full figure of a naked, long-haired woman reclining on a contour pillow, oriented with her head at the beginning of the Mark, the design in Registrant's Mark is different in many ways. Smith Decl., Ex. L at 167:22-172:25. Specifically, Petitioner admitted that the design in Registrant's Mark depicts only part of the body, that the figure is oriented with its head at the end of the Mark, and that the figure is not lying on a pillow. <u>Id.</u> at 169:21-172:11. Petitioner also admitted that no anatomical features were depicted in Registrant's Mark indicating the figure is a female or that the figure is naked. <u>Id.</u> Petitioner further admitted that its Mark contains a "plus sign" figure, which is absent from Registrant's Mark. <u>Id.</u> at 168:23-169:16.

C. Registrant's Mark Is Not Likely To Be Confused With Petitioner's Mark Because The Term PEDIC And The Reclining Figure Design Are Weak, And Thus Petitioner's Mark Is Entitled To Only A Narrow Scope Of Protection

In the section of its brief entitled "Petitioner's Mark . . . is Strong and Famous,"

Petitioner discusses only the claimed fame of its Mark. Petitioner conveniently omits any discussion of strength as evidenced by "[t]he number and nature of similar marks in use on similar goods." See In re E.I. DuPont DeNemours & Co., 476 F.2d at 1361. Indeed, an analysis of this important DuPont factor reveals that Petitioner's Mark is weak because both the term that is common in the marks — PEDIC — and the reclining figure design, are weak due to widespread third party use in connection with goods in Class 20. See Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondee en 1772, 396 F.3d 1369, 1373, 73 U.S.P.Q.2d 1689, 1693 (Fed. Cir. 2005). As such, Petitioner's Mark is entitled to only a narrow scope of protection. See id.

The PTO has registered numerous marks over the years that include the term PEDIC in connection with goods in Class 20 and related classes, examples of which are below.

Thus, the term PEDIC is a weak mark entitled to only a narrow scope of protection. See id. Indeed, there are at least 99 federally registered marks that include the term PEDIC in connection with mattresses, mattress toppers, pillows, bedding, box springs and/or beds in International Class 20 and related classes. See Smith Decl., Ex. D. For example:

- DENVERPEDIC, Reg. No. 3,280,502, registered for "mattresses, mattress foundations, beds and pillows," in Class 20;
- OSTERPEDIC, Reg. No. 599,965, registered for "mattresses," in Class 20;
- POSTUREPEDIC, Reg. No. 619,058, registered for "mattresses and box springs," in Class 20;
- NATUREPEDIC, Reg. No. 3,045,755, registered for "mattresses, box springs and pillows," in Class 20;

- COMFOR-PEDIC, Reg. No. 3,189,821, registered for "mattress, mattress toppers, pillows; industrial foam for use as mattresses," in Class 20;
- THER-A-PEDIC, Reg. No. 949,332, registered for "bedding, namely, mattresses and boxsprings," among other things, in Class 20; and
- BOB-O-PEDIC, Reg. No. 3,355,727, registered for "mattresses and mattress foundations," in Class 20.

<u>See id.</u> As demonstrated by these extensive references and Registrant's own incontestable registration for the mark BODIPEDIC, PEDIC is a relatively common term when used in connection with goods in Class 20.

Furthermore, the PTO has registered numerous marks over the years that include a reclining figure design in connection with goods in Class 20 and related classes. Similar to the term PEDIC, Petitioner's reclining figure design falls into the category of weak marks entitled to only a narrow scope of protection. See Palm Bay Imports, Inc., 396 F.3d at 1373. In fact, there are at least 15 federally registered marks that include the design of a reclining figure plus a word in connection with mattresses, pillows, mattress toppers, foam sleep wedges, mattress pads, bedding, sleep sofas and/or back support cushions in International Class 20 and related classes. See Smith Decl., Ex. E. As demonstrated by these references, the design of a reclining figure — frequently shown, as in Petitioner's Mark, directly above the literal portion of the mark — is a relatively common design when used in connection with goods in Class 20.

Thus, the evidence establishes that the consuming public is exposed to third-party use of similar marks on similar goods, and this evidence is relevant to show that Petitioner's Mark "is relatively weak and entitled to only a narrow scope of protection." Palm Bay Imports, Inc., 396 F.3d at 1373. When a mark, such as Petitioner's Mark, exists in a crowded field, the public is presumed to be able to distinguish it from other marks which have only

slight differences. See id. at 1374; King Candy Co. v. Eunice King's Kitchen Inc., 496 F.2d 1400, 1401, 182 U.S.P.Q. 108, 109-10 (C.C.P.A. 1974) ("the expressions 'weak' and 'entitled to limited protection' are but other ways of saying . . . that confusion is unlikely because the marks are of such nonarbitrary nature or so widely used that the public easily distinguishes slight differences in the marks under consideration as well as differences in the goods . . . even though the goods of the parties may be considered 'related'"). As the CCPA held in Sure Fit Prods. Co. v. Salzson Drapery Co., "[w]here a party uses a weak mark, his competitors may come closer to his mark than would be the case with a strong mark without violating his rights." 117 U.S.P.Q. 295, 297 (C.C.P.A. 1958); see also General Mills Inc. v. Kellogg Co., 3 U.S.P.Q.2d 1442, 1445 (8th Cir. 1987) ("[d]etermining that a mark is weak means that consumer confusion has been found unlikely because the mark's components are so widely used that the public can easily distinguish slight differences in the marks, even if the goods are related"). Here, because Petitioner's Mark includes a common term — PEDIC — and the common design of a reclining figure, both widely used in connection with mattresses, mattress toppers and pillows, ordinary consumers are able to distinguish the parties' marks based on slight differences.

The case <u>Standard Brands Inc. v. Peters</u> is particularly instructive here. 191 U.S.P.Q. 168 (T.T.A.B. 1975). In <u>Standard Brands Inc.</u>, the applicant for the mark CORN-ROYAL for butter and margarine introduced several third party registrations for marks that included the term ROYAL to support its argument that the term ROYAL was weak in the field of food. <u>See id.</u> The applicant asserted that the CORN-ROYAL mark was registrable despite the opposer's prior use of and registrations for the mark ROYAL covering various food products, including shortening. <u>See id.</u> After examining the third party registrations, the

Board found that the PTO had treated the term ROYAL as a "weak" mark that "could not be exclusively appropriated in the food field" and stated that the scope of protection afforded to weak marks "have been so limited as to permit the use and/or registration of the same mark for different goods or of a composite mark comprising this term plus other matter, whether such matter be equally suggestive or even descriptive, for the same or similar goods." Id. at 172. The Board concluded that the CORN-ROYAL mark was registrable for butter and margarine despite the prior use and registration of the mark ROYAL for shortening and other food products. See id.

Like the term ROYAL as used in connection with food products, the term PEDIC and the reclining figure design are clearly weak marks in connection with goods in Class 20. Accordingly, the scope of protection afforded to marks that include the term PEDIC plus another term in Class 20 is very narrow. The same is true for marks that include the design of a reclining figure in combination with a word mark in Class 20. Thus, confusion between Registrant's Mark, which begins with the wholly distinct term BODI and has a distinct design, and Petitioner's Mark, is not likely.

C. The Record Is Devoid Of Probative Evidence Of Actual Confusion

As argued above, Petitioner should be precluded from relying upon the Log based upon Petitioner's violation of Rule 45. In addition, the Log is inadmissible hearsay that should be disregarded based upon Petitioner's failure to adduce testimony or a declaration sufficient to establish that the Log constitutes a business record under F.R.E. 803(6). See, e.g., Craddock—Terry Shoe Corp. v. Adorence Co, Inc., 1982 TTAB LEXIS 137, at *6-7 (T.T.A.B. Apr. 9, 1982) (holding customer lists, advertising expenditures and sales figures did not fall within business records exception of F.R.E. 803(6), and thus is inadmissible hearsay, because deposition testimony failed to establish records were regularly conducted activity of business or that

records were made by someone with knowledge).

Even if the Board chooses to consider the Log, the Log has virtually no probative value because the alleged incidents of "actual confusion" are "unexplained and unclear." Hi-Country Foods Corp. v. Hi Country Beef Jerky, 4 U.S.P.Q.2d 1169, 1172 (T.T.A.B. 1987) (finding evidence of checks erroneously mailed to wrong party where both parties used same mark as business name and evidence of misdirected phone call to be of "virtually no probative value" where "circumstances surrounding misdirected checks [were] unexplained and unclear" and identity of caller who made misdirected call was unknown and circumstances surrounding misdirected call were "unexplained"); see also Duluth News-Tribune v. Mesabi Publ'g Co., 84 F.3d 1093, 1098 (8th Cir. 1996) (noting purported evidence of "actual confusion" on summary judgment motion consisting of "vague evidence of misdirected phone calls and mails is hearsay of a particularly unreliable nature given the lack of an opportunity for cross-examination of the call or sender regarding the reason for the 'confusion."").

Here, the Log contains no reference to Petitioner's Mark or Registrant's Mark. Not a single caller references the design element of either party's mark as causing confusion on the consumer's part. Pet. Brief, Ex. S. The communications only reference the word marks

TEMPUR-PEDIC and/or BODIPEDIC. See id. As noted above, Registrant's BODIPEDIC word mark is not challenged in this proceeding and is the subject of an incontestable registration.

As the communications in the Log do not reference Petitioner's Mark or Registrant's Mark that is the subject of this proceeding, the Log does not evidence actual confusion between the parties' marks. The reason for the consumers' concern is entirely unclear from the Log. As such, that evidence is of virtually no probative value. See Hi-Country Foods, 4 U.S.P.Q.2d at 1172.

In addition, the Log is not probative evidence of actual confusion because the Log is undated and there is no evidence by way of testimony or affidavit to determine the period over which the communications in the Log occurred. See Pet. Brief, Ex. S. Indeed, "ownership of a trademark does not guarantee total absence of confusion in the marketplace." Scott Paper Co. v. Scott's Liquid Gold, Inc., 589 F.2d 1225, 1231 (3d Cir. 1978) (noting 19 instances of "confusion" over period of four years insufficient to warrant entry of injunctive relief). Here, even if the "confusion" reflected in the Log could be attributed to Registrant's Mark, it is impossible to tell whether those instances occurred in the month prior to production of the Log in response to the Subpoena, or in the three years since adoption of Registrant's Mark in April 2009.

Based upon the foregoing, the Log is not probative and reliable evidence of actual confusion between Registrant's Mark and Petitioner's Mark. Given the lack of evidence of actual confusion, this factor weighs in favor of Registrant, not Petitioner.

D. Consumers Carefully Consider Purchases Of The Parties' Goods And Therefore Are Unlikely To Confuse The Source Of The Products

Because of "[t]he conditions under which . . . sales are made" for Registrant's and Petitioner's products, confusion between the products is not likely. <u>See In re E.I. DuPont</u>

DeNemours & Co., 476 F.2d at 1361. Petitioner failed to address this important DuPont factor.

Purchasing a mattress is a decision to which consumers give much consideration, not one that they make on impulse. A mattress is a relatively expensive item that is purchased infrequently, see <u>Dreamwell, Ltd. v. Kittrich Corp.</u>, 2011 TTAB LEXIS 123 (T.T.A.B. Mar. 29, 2011), and it is an important purchase because it impacts the quality of the purchaser's sleep and therefore the purchaser's health and wellness. As a result, consumers typically give significant consideration to the brands and features of different mattresses before purchasing one, and

therefore would be unlikely to confuse them. <u>See id.</u> (finding that because mattresses are relatively expensive, customers shop infrequently for them, and comfort and durability are concerns in purchasing a mattress, "mattresses are not impulse purchases, but would be made with some degree of care," which suggests no likelihood of confusion).

The "price level of the goods or services is an important factor in determining the amount of care the reasonably prudent buyer will use. If the goods or services are relatively expensive, more care is taken and buyers are less likely to be confused as to source or affiliation." 3 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 23:95 at 23-245 (4th ed. 2012).

Where expensive goods or services are purchased by discriminating buyers after careful consideration and a long buying cycle, the likelihood that purchasers will be confused is nil. See In re Software Design, Inc., 220 U.S.P.Q. 662, 663 (T.T.A.B. 1983); Oreck Corp. v. U.S. Floor Sys., Inc., 803 F.2d 166 (5th Cir. 1986); TMEP § 1207.01(d)(vii) (circumstances suggesting care in purchasing may tend to minimize likelihood of confusion). Registrant's Goods range in price from Smith Decl., Exs. K at 66:1-21; Ex. L at 112:8-116:23. Confusion is not likely here because the goods at issue are relatively expensive and are purchased only after careful consideration.

E. The Petitioner's Argument That Trade Channels Overlap Because Both Parties Sell On The Internet Should Be Ignored

Petitioner's claim that the parties share channels of trade because "a significant channel for advertising and sales of both Petitioner's and Registrant's products is the Internet" is unfounded. Pet. Brief at 20. "[T]he mere fact that goods . . . may both be advertised and offered through the Internet is not a sufficient basis to find that they are sold through the same channels of trade. The Internet is such a pervasive medium that virtually everything is advertised and sold

through the Internet." Parfums de Coeur, Ltd. v. Lazarus, 83 U.S.P.Q.2d 1012 (T.T.A.B. 2007).

On the issue of Internet sales, Petitioner failed to allege anything more than this general fact and did not point to a single website through which both Petitioner and Registrant sold or advertised their products. <u>Id.</u> (holding that the TTAB needs something more than the fact that both parties sell or promote their products through the Internet — such as, if the parties' goods were promoted or offered through the same website — to demonstrate shared channels of trade or likelihood of confusion). In fact, Petitioner's products are not sold on Overstock.com, which is the primary channel of trade for Registrant's products. Petitioner's argument that the channels of trade overlap in part because the products of both parties are sold on the Internet should be disregarded by the Board.

CONCLUSION

In view of the foregoing, Petitioner's Motion for Summary Judgment should be denied, Registrant's Cross-Motion for Summary Judgment should be granted, and the Cancellation should be dismissed with prejudice.

Dated: September 17, 2012

MCCARTER & ENGLISH, LLP Attorneys for Registrant Sleep Innovations, Inc.

By: Robert W. Smith

CERTIFICATE OF FILING AND SERVICE

The undersigned hereby certifies that true and correct, redacted copies of the foregoing Registrant's Brief in Opposition to Petitioner's Motion for Summary Judgment and in Support of Registrant's Cross-Motion for Summary Judgment, and the supporting Declaration of Robert W. Smith and Exhibits A through L thereto, were electronically filed with the Trademark Trial and Appeal Board (the "TTAB"), with true and correct, unredacted hard copies of these papers filed under seal with the TTAB this 17th day of September, 2012, via express mail at the following address:

Trademark Trial and Appeal Board U.S. Patent and Trademark Office Madison East, Concourse Level Room C 55 600 Dulany Street Alexandria, VA 22314

The undersigned hereby further certifies that true and correct, redacted and unredacted copies of the foregoing Registrant's Brief in Opposition to Petitioner's Motion for Summary Judgment and in Support of Registrant's Cross-Motion for Summary Judgment, and the supporting Declaration of Robert W. Smith and Exhibits A through L thereto, have been served this 17th day of September 2012, by regular mail, postage prepaid, to counsel for Petitioner at the following address:

Amy Sullivan Cahill Stites & Harbison PLLC 400 West Market Street, Suite 1800 Louisville, KY 40202-3352

Irene M. Hurtado

Date: September 17, 2012